

REQUIRED SUPPLEMENTARY INFORMATION

City of Tavares, Florida
Required Supplementary Information
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017
Total OPEB Liability			
Service cost	\$ 15,751	\$ 17,550	\$ 17,684
Interest	20,653	17,590	12,707
Changes of benefit terms	-	-	-
Differences between expected and actual experience	93,152	112,950	(21,323)
Changes of assumptions	-	-	-
Benefit Payments, including refunds of employee contributions	(42,859)	(39,099)	(33,028)
Net change in total OPEB liability	86,697	108,991	(23,960)
Total OPEB liability, beginning	482,616	373,625	397,585
Total OPEB liability, ending (a)	\$ 569,313	\$ 482,616	\$ 373,625
Plan Fiduciary Net Position			
Contributions, employer	-	-	-
Contributions, employee	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Administrative expense	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position, beginning	-	-	-
Plan fiduciary net position, ending (b)	\$ -	\$ -	\$ -
Net OPEB liability, ending (a) - (b)	\$ 569,313	\$ 482,616	\$ 373,625
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%
Covered payroll	\$ 10,222,449	\$ 9,501,221	\$ 9,428,806
Net OPEB liability as a percentage of covered payroll	5.57%	5.08%	3.96%
Notes to Schedule: None.			

* Data before 2017 is not available.

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability and Related Ratios - Police Officers' Pension Plan

September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Total Pension Liability							
Service Cost	\$ 394,130	\$ 424,046	\$ 416,167	\$ 373,508	\$ 381,485	\$ 360,391	\$ 333,695
Interest	1,114,383	1,068,463	989,676	940,412	878,385	812,355	765,641
Change in Excess State Money	-	(8,386)	-	8,058	328	-	-
Share plan allocation	25,145	25,403	-	-	-	-	-
Changes of Benefit Terms	-	-	(407)	-	-	-	-
Differences Between Expected and Actual Experience	(55,028)	57,069	202,980	(203,397)	(72,066)	-	-
Contributions - Buy Back	-	-	38,906	15,079	-	32,858	-
Changes of Assumptions	-	36,863	-	67,314	-	-	-
Benefit Payments, including refunds of employee contributions	(569,302)	(547,845)	(793,713)	(445,008)	(363,987)	(438,639)	(645,582)
Net Change in Total Pension Liability	909,328	1,055,613	853,609	755,966	824,145	766,965	453,754
Total Pension Liability - beginning	14,269,660	13,214,047	12,360,438	11,604,472	10,780,327	10,013,362	9,559,608
Total Pension Liability - ending (a)	<u>\$ 15,178,988</u>	<u>\$ 14,269,660</u>	<u>\$ 13,214,047</u>	<u>\$ 12,360,438</u>	<u>\$ 11,604,472</u>	<u>\$ 10,780,327</u>	<u>\$ 10,013,362</u>
Plan Fiduciary Net Position							
Contributions - employer	355,182	288,020	356,463	280,634	309,496	316,247	278,574
Contributions - state	127,496	202,917	-	91,349	83,619	79,280	77,207
Contributions - employee	166,062	186,334	199,142	198,795	182,992	193,826	183,481
Contributions - buy back	-	-	38,906	15,079	-	32,858	-
Net Investment Income	549,419	844,670	1,186,825	982,121	(198,020)	924,676	921,377
Benefit Payments, Including Refunds of Employee Contributions	(569,302)	(547,845)	(793,713)	(445,008)	(363,987)	(438,639)	(645,582)
Administrative Expense	(50,581)	(51,081)	(42,879)	(33,495)	(29,378)	(16,039)	(10,500)
Net Change in Plan Fiduciary Net Position	578,276	923,015	944,744	1,089,475	(15,278)	1,092,209	804,557
Plan Fiduciary Net Position - beginning	12,791,859	11,868,844	10,924,100	9,834,625	9,849,903	8,757,694	7,953,137
Plan Fiduciary Net Position - ending (b)	<u>\$ 13,370,135</u>	<u>\$ 12,791,859</u>	<u>\$ 11,868,844</u>	<u>\$ 10,924,100</u>	<u>\$ 9,834,625</u>	<u>\$ 9,849,903</u>	<u>\$ 8,757,694</u>
Net Pension Liability - ending (a) - (b)	<u>\$ 1,808,853</u>	<u>\$ 1,477,801</u>	<u>\$ 1,345,203</u>	<u>\$ 1,436,338</u>	<u>\$ 1,769,847</u>	<u>\$ 930,424</u>	<u>\$ 1,255,668</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.08%	89.64%	89.82%	88.38%	84.75%	91.37%	87.46%
Covered Payroll*	\$ 1,463,385	\$ 1,661,148	\$ 1,612,728	\$ 1,549,670	\$ 1,429,622	\$ 1,514,268	\$ 1,433,445
Net Pension Liability as a Percentage of Covered Payroll	123.61%	88.96%	83.41%	92.69%	123.80%	61.44%	87.60%

*The Covered payroll figures shown are in compliance with GASB 82.

For measurement date 9/30/18, amounts reported as changes of assumptions resulted from the results of the September 18, 2018 experience study.

For measurement date 09/30/2017, amounts reported as changes of benefit terms resulted from the following changes:

A reduction in the Member Contribution Rate from 12.8% to 11.3%, effective June 2, 2017. As of the completion date of the 10/01/2017 valuation, the associated ordinance has not yet been passed (but the Member Contribution reduction has taken effect).

Plan Closure to new hires, effective on or around April 1, 2018, per Ordinance 2018-02, as adopted February 21, 2018.

For measurement date 9/30/16, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.70% matching the long-term inflation assumption used by the Plan's investment consultant.

*Data before 2013 is not available.

City of Tavares, Florida
Required Supplementary Information
Schedule of City Contributions - Police Officers' Pension Plan
September 30, 2019

Fiscal year ended	Contributions in Relation to the			Contributions as a	
	Actuarially Determined Contribution	Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Percentage of Covered Payroll
9/30/2019	\$ 426,430	\$ 457,534	\$ (31,104)	\$ 1,463,385	31.27%
9/30/2018	\$ 457,148	\$ 462,443	\$ (5,295)	\$ 1,661,148	27.84%
9/30/2017	\$ 390,441	\$ 356,463	\$ 33,978	\$ 1,612,728	22.10%
9/30/2016	\$ 362,468	\$ 363,925	\$ (1,457)	\$ 1,549,670	23.48%
9/30/2015	\$ 360,266	\$ 392,787	\$ (32,521)	\$ 1,429,622	27.47%
9/30/2014	\$ 395,527	\$ 395,527	\$ -	\$ 1,514,268	26.12%
9/30/2013	\$ 355,781	\$ 355,781	\$ -	\$ 1,433,445	24.82%

Notes to Schedule

Valuation Date 10/1/2017

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Mortality Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB.

Disability Mortality Table Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection

Male: 60% RP2000 Disabled Female set back four years/40% Annuitant White Collar with no setback, no projection

Interest Rate 8.0% per year, compounded annually net of investment related expenses.

Disability Rates See table below. It is assumed that 75% of Disability Retirements and Pre-Retirement Deaths are service-related.

Retirement Age Earlier of age 55 and 10 years of service, or age 52 and 25 years of service. Also any member who has reached normal retirement age is assumed to continue employment for one additional year.

Early Retirement Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Salary Increases 6.0% until the assumed retirement age.

Liability Load	Hire Date	Assumption
	Before 10/01/01	4%
	10/01/01-09/30/06	3%
	10/01/06-09/30/11	2%
	10/01/11 and later	No Load

Payroll Growth None for amortization of of the Unfunded Actuarial Accrued Liability

Funding Method Entry Age Normal Actuarial Cost Method.

Amortization Method Level percentage of pay, closed.

Remaining Amortization Period 30 Years (as of 10/01/2017).

Actuarial Asset Method Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Other Information Termination and Disability Rate Table

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.00%	0.03%
30	5.00%	0.04%
40	2.60%	0.07%
50	0.80%	0.18%

*Data before 2013 is not available.

City of Tavares, Florida
Required Supplementary Information
Schedule of Investment Returns - Police Officers' Pension Plan
September 30, 2019

	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Annual Money-Weighted Rate of Return							
Net of Investment Expense	4.31%	7.12%	11.04%	10.01%	-2.00%	10.49%	11.66%

This Section Intentionally Left Blank

City of Tavares, Florida
Required Supplementary Information
Schedule of changes in the City's Net Pension Liability and Related Ratios - Firefighters' Pension Plan
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Total Pension Liability							
Service Cost	\$ 313,666	\$ 351,953	\$ 336,031	\$ 324,286	\$ 313,761	\$ 286,443	\$ 265,225
Interest	596,515	599,269	567,666	539,741	511,187	463,813	419,539
Change in Excess State Money	-	-	-	(32,559)	4,976	6,494	-
Share Plan Allocation	2,847	1,082	-	32,661	-	-	-
Changes of Benefit Terms	(2,117)	(368)	-	-	-	-	-
Differences Between Expected and Actual Experience	44,640	(93,474)	(314,456)	(387,399)	(289,327)	-	-
Changes of Assumptions	-	136,385	-	(11,965)	-	-	-
Benefit Payments, including refunds of employee contributions	(229,618)	(206,135)	(213,393)	(171,739)	(206,685)	(164,118)	(140,990)
Net Change in Total Pension Liability	725,933	788,712	375,848	293,026	333,912	592,632	543,774
Total Pension Liability - beginning	8,031,055	7,242,343	6,866,495	6,573,469	6,239,557	5,646,925	5,103,151
Total Pension Liability - ending (a)	<u>\$ 8,756,988</u>	<u>\$ 8,031,055</u>	<u>\$ 7,242,343</u>	<u>\$ 6,866,495</u>	<u>\$ 6,573,469</u>	<u>\$ 6,239,557</u>	<u>\$ 5,646,925</u>
Plan Fiduciary Net Position							
Contributions - employer	341,838	223,986	352,971	297,809	300,743	304,533	259,897
Contributions - state	88,023	165,082	-	82,530	82,591	84,109	82,682
Contributions - employee	44,126	56,084	54,347	52,740	47,264	46,734	44,127
Net Investment Income	335,781	512,617	685,557	529,431	(110,340)	480,285	475,192
Benefit Payments, Including Refunds of Employee Contributions	(229,618)	(206,135)	(213,393)	(171,739)	(206,685)	(164,118)	(140,990)
Administrative Expense	(53,414)	(39,643)	(32,587)	(46,207)	(15,428)	(19,264)	(21,244)
Net Change in Plan Fiduciary Net Position	526,736	711,991	846,895	744,564	98,145	732,279	699,664
Plan Fiduciary Net Position - beginning	7,777,388	7,065,397	6,218,502	5,473,938	5,375,793	4,643,514	3,943,850
Plan Fiduciary Net Position - ending (b)	<u>\$ 8,304,124</u>	<u>\$ 7,777,388</u>	<u>\$ 7,065,397</u>	<u>\$ 6,218,502</u>	<u>\$ 5,473,938</u>	<u>\$ 5,375,793</u>	<u>\$ 4,643,514</u>
Net Pension Liability - ending (a) - (b)	<u>\$ 452,864</u>	<u>\$ 253,667</u>	<u>\$ 176,946</u>	<u>\$ 647,993</u>	<u>\$ 1,099,531</u>	<u>\$ 863,764</u>	<u>\$ 1,003,411</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.83%	96.84%	97.56%	90.56%	83.27%	86.16%	82.23%
Covered Payroll*	\$ 1,704,693	\$ 1,625,409	\$ 1,522,581	\$ 1,505,477	\$ 1,350,400	\$ 1,335,248	\$ 1,260,784
Net Pension Liability as a Percentage of Covered Payroll	26.57%	15.61%	11.62%	43.04%	81.42%	64.69%	79.59%

*The Covered payroll figures shown are in compliance with GASB 82.

For measurement date 9/30/19, amounts reported as changes of benefits resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

For measurement date 9/30/18, amounts reported as changes of benefits resulted from Ordinance 2019-09, adopted and effective March 20, 2019, amended the plan for a reduction in the member contribution rate. Amounts reported as changes of assumptions reflected the results of the September 20, 2018 experience study.

For measurement date 9/30/16, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.70% matching the long-term inflation assumption used by the Plan's investment consultant.

*Data before 2013 is not available.

City of Tavares, Florida
Required Supplementary Information
Schedule of City Contributions - Firefighters' Pension Plan
September 30, 2019

Fiscal year ended	Actuarially Determined Contribution	Contributions in Relation to the		Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
		Actuarially Determined Contribution	Actuarially Determined Contribution			
9/30/2019	\$ 404,012	\$ 427,013	\$ (23,001)	\$ 1,704,693	25.05%	
9/30/2018	\$ 387,985	\$ 387,985	\$ -	\$ 1,625,409	23.87%	
9/30/2017	\$ 362,831	\$ 352,971	\$ 9,860	\$ 1,522,581	23.18%	
9/30/2016	\$ 380,886	\$ 380,238	\$ 648	\$ 1,505,477	25.26%	
9/30/2015	\$ 367,851	\$ 378,358	\$ (10,507)	\$ 1,350,400	28.02%	
9/30/2014	\$ 382,148	\$ 382,148	\$ -	\$ 1,335,248	28.62%	
9/30/2013	\$ 337,512	\$ 337,512	\$ -	\$ 1,260,784	26.77%	

Notes to Schedule

Valuation Date 10/1/2017 (AIS 3/19/2019)
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Mortality - Healthy Lives Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB

Mortality - Disabled Lives Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale
Male: 60% RP2000 Disabled Male set back four years/40% Annuitant White Collar with no setback, no projection scale

Interest Rate 8.0% per year, compounded annually net of investment related expenses.

Termination Rates See table below.

Disability Rates See table below. It is assumed that 75% of Disability Retirements and Pre-Retirement Deaths are service-related.

Retirement Age Earlier of 1) age 55 and 10 years of service, or 2) age 52 and 25 years of service. Also, any member who has reached normal retirement age is assumed to continue employment for one additional year.

Early Retirement Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Salary Increases 7.5% until the assumed retirement age.

Payroll Growth 3.0% per year for amortization of the Unfunded Actuarial Accrued Liability.

Funding Method Entry Age Normal Actuarial Cost Method

Amortization Method Level percentage of pay, closed.

Remaining Amortization Method 30 years (as of 10/1/17)

Actuarial Asset Method The Actuarial Value of Assets utilizes a five-year smoothing methodology. The annual difference between expected and actual investment earnings (Market Value, net of investment-related expenses), is phased-in over a five-year period.

Other Information Termination and Disability Rate Table

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.00%	0.03%
30	5.00%	0.04%
40	2.60%	0.07%
50	0.80%	0.18%

*Data before 2013 is not available.

City of Tavares, Florida
Required Supplementary Information
Schedule of Investment Returns - Firefighters' Pension Plan
September 30, 2019

	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Annual Money-Weighted Rate of Return							
Net of Investment Expense	4.30%	7.20%	10.93%	9.57%	-2.03%	10.20%	11.72%
*Data before 2013 is not available.							

This Section Intentionally Left Blank

City of Tavares, Florida
Required Supplementary Information
Schedule of the City's Proportionate Share of Net Pension Liability - Florida Retirement System
September 30, 2019

Florida Retirement System - Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.01718%	0.01652%	0.01780%	0.01669%	0.01650%	0.01544%
City's Proportionate Share of the Net Pension Liability	\$ 5,916,912	\$ 4,976,723	\$ 5,264,474	\$ 4,215,442	\$ 2,131,717	\$ 941,921
City's Covered Payroll	\$ 5,277,549	\$ 5,014,543	\$ 5,298,689	\$ 4,692,871	\$ 4,238,289	\$ 4,077,392
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	112.11%	99.25%	99.35%	89.83%	50.30%	23.10%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

Health Insurance Subsidy - Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.01802%	0.01733%	0.01813%	0.01667%	0.01580%	0.01542%
City's Proportionate Share of the Net Pension Liability	\$ 2,015,841	\$ 1,834,652	\$ 1,938,238	\$ 1,943,183	\$ 1,611,045	\$ 1,441,348
City's Covered Payroll	\$ 5,277,549	\$ 5,014,543	\$ 5,298,689	\$ 4,692,871	\$ 4,238,289	\$ 4,077,392
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	38.20%	36.59%	36.58%	41.41%	38.01%	35.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Data before 2014 is not available.

Florida Retirement System - Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 561,045	\$ 473,561	\$ 453,154	\$ 418,590	\$ 406,224
Contributions in Relation to the Contractually Required Contributions	<u>561,045</u>	<u>473,561</u>	<u>453,154</u>	<u>418,590</u>	<u>406,224</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,423,115	\$ 4,956,870	\$ 5,178,393	\$ 4,778,396	\$ 4,376,506
Contributions as a Percentage of Covered Payroll	10.35%	9.55%	8.75%	8.76%	9.28%

Health Insurance Subsidy - Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 103,695	\$ 93,362	\$ 94,130	\$ 86,570	\$ 67,437
Contributions in Relation to the Contractually Required Contributions	<u>103,695</u>	<u>93,362</u>	<u>94,130</u>	<u>86,570</u>	<u>67,437</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,423,115	\$ 4,956,870	\$ 5,178,393	\$ 4,778,396	\$ 4,376,506
Contributions as a Percentage of Covered-employee Payroll	1.91%	1.88%	1.82%	1.81%	1.54%

* Data before 2015 is not available.

Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Culture and recreation	\$ -	\$ 525,712	\$ 510,137	\$ 15,575
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>525,712</u>	<u>510,137</u>	<u>15,575</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(525,712)</u>	<u>(510,137)</u>	<u>15,575</u>
Other Financing Sources (Uses)				
Insurance recoveries	-	197,535	197,535	-
Total other financing sources (uses)	<u>-</u>	<u>197,535</u>	<u>197,535</u>	<u>-</u>
Net change in fund balances	-	(328,177)	(312,602)	15,575
Fund balances, beginning	<u>(473,414)</u>	<u>(473,414)</u>	<u>(473,414)</u>	<u>-</u>
Fund balances, ending	<u>\$ (473,414)</u>	<u>\$ (801,591)</u>	<u>\$ (786,016)</u>	<u>\$ 15,575</u>

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

- Police Training Fund** - Accounts for revenues received pursuant to Chapter 943.25, Florida Statutes. Funds must be used to educate and train law enforcement personnel.
- Police Services Impact Fund** - Accounts for Police Impact fees collected and for disbursements made for the purpose of acquisition of facilities and equipment determined to be needed to provide police protection for new development within the City
- Fire/Rescue Services Impact Fund** - Accounts for Fire Impact fees collected and disbursements made for the purpose of acquisition of facilities and equipment determined to be needed to provide fire protection for new development within the City
- Police Forfeiture Fund** - Accounts for revenues derived from confiscated property which are used for law enforcement purposes.
- Parks and Recreation Impacts Fund** - Accounts for Parks and Recreation Impact fees collected and disbursements made for the purpose of acquisition of facilities and equipment determined to be needed to provide parks and recreation services for new development within the City
- Pavilion Fund** - Accounts for the revenues and expenditures of the Wootton Park Pavilion.
- Grant Fund** - Accounts for the expenditure of grant funds awarded by agencies of the Federal and State governments.
- Fire Assessment Fund** - Accounts for the proceeds of the Fire Assessment Property Tax. The proceeds and interest accrued thereto, by law, are only to be used for public safety expenditures.
- Flag Pole Fund** - Accounts for expenditures related to maintenance of the City's flag pole monument.

Debt Service Funds

- Debt Service Fund** - Accounts for accumulation of resources and payment of bond principal and interest from governmental resources.

Permanent Funds

- Playground Fund** - Accounts for funds restricted for the benefit of recreation. The principal is nonexpendable.
- Library Building Fund** - Accounts for funds restricted for the benefit of the library. Interest earned may be spent on the library.



America's Seaplane City™

THIS PAGE INTENTIONALLY LEFT BLANK

	Special Revenue						
	Police Training	Grant Fund	Police Services Impacts	Fire/Rescue Services Impacts	Police Forfeitures	Parks & Recreation Impacts	Pavilion Fund
Assets:							
Cash and cash equivalents	\$ 4,168	\$ -	\$ -	\$ 22,315	\$ 18,670	\$ 60,669	\$ 311,065
Investments	-	-	-	-	-	-	-
Receivables, net	-	-	-	-	-	-	-
Due from other governments	-	659,007	-	-	-	-	-
Total assets	\$ 4,168	\$ 659,007	\$ -	\$ 22,315	\$ 18,670	\$ 60,669	\$ 311,065
Liabilities and Fund Balances:							
Accounts payable	\$ -	\$ 15,742	\$ -	\$ -	\$ -	\$ -	\$ 19,260
Accrued liabilities	-	-	-	-	-	-	12,702
Due to other funds	-	656,162	-	-	-	-	2,569,269
Customer deposits	-	-	-	-	-	-	19,616
Unearned revenue	-	3,667	-	-	-	-	58,375
Matured bonds payable	-	-	-	-	-	-	-
Matured interest payable	-	-	-	-	-	-	-
Total liabilities	-	675,571	-	-	-	-	2,679,222
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	4,168	-	-	22,315	18,670	60,669	-
Unassigned	-	(16,564)	-	-	-	-	(2,368,157)
Total fund balances	4,168	(16,564)	-	22,315	18,670	60,669	(2,368,157)
Total liabilities and fund balances	\$ 4,168	\$ 659,007	\$ -	\$ 22,315	\$ 18,670	\$ 60,669	\$ 311,065

Special Revenue			Permanent Funds				
Fire Assessment Fund	Flag Pole Fund	Total Special Revenue Funds	Debt Service Fund	Playground Fund	Library Building Fund	Total Permanent Funds	Total Other Governmental Funds
\$ 255,482	\$ 7,801	\$ 680,170	\$ 539,425	\$ 18,034	\$ 12,241	\$ 30,275	\$ 1,249,870
-	-	-	26,850	15,767	11,304	27,071	53,921
181,269	-	181,269	-	-	-	-	181,269
-	-	659,007	-	-	-	-	659,007
<u>\$ 436,751</u>	<u>\$ 7,801</u>	<u>\$ 1,520,446</u>	<u>\$ 566,275</u>	<u>\$ 33,801</u>	<u>\$ 23,545</u>	<u>\$ 57,346</u>	<u>\$ 2,144,067</u>
\$ -	\$ -	\$ 35,002	\$ -	\$ -	\$ -	\$ -	\$ 35,002
-	-	12,702	-	-	-	-	12,702
-	-	3,225,431	-	-	-	-	3,225,431
-	-	19,616	-	-	-	-	19,616
-	-	62,042	-	-	20,926	20,926	82,968
-	-	-	80,000	-	-	-	80,000
-	-	-	16,957	-	-	-	16,957
-	-	3,354,793	96,957	-	20,926	20,926	3,472,676
-	-	-	-	29,295	-	29,295	29,295
436,751	7,801	550,374	469,318	4,506	2,619	7,125	1,026,817
-	-	(2,384,721)	-	-	-	-	(2,384,721)
<u>436,751</u>	<u>7,801</u>	<u>(1,834,347)</u>	<u>469,318</u>	<u>33,801</u>	<u>2,619</u>	<u>36,420</u>	<u>(1,328,609)</u>
<u>\$ 436,751</u>	<u>\$ 7,801</u>	<u>\$ 1,520,446</u>	<u>\$ 566,275</u>	<u>\$ 33,801</u>	<u>\$ 23,545</u>	<u>\$ 57,346</u>	<u>\$ 2,144,067</u>

City of Tavares, Florida
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2019

	Special Revenue						
	Police Training	Grant Fund	Police Services Impacts	Fire/Rescue Services Impacts	Police Forfeitures	Parks & Recreation Impacts	Pavilion Fund
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	-	470,646	-	-	-	-	15,890
Special assessments	-	-	-	-	-	-	-
Charges for services	-	-	12,629	23,618	-	7,676	331,049
Fines and forfeitures	2,251	-	-	-	12,929	-	-
Investment income	-	-	20	-	-	-	-
Miscellaneous	-	-	-	-	-	-	12,871
Total revenues	2,251	470,646	12,649	23,618	12,929	7,676	359,810
Expenditures:							
Current:							
Public safety	6,780	3,624	429,721	632,538	5,784	-	-
Physical environment	-	492,281	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	127,529	448,636
Debt Service:							
Principal	-	-	19,589	19,589	-	75,000	64,000
Interest and fiscal charges	-	-	-	-	-	-	56,287
Total expenditures	6,780	495,905	449,310	652,127	5,784	202,529	568,923
Excess (deficiency) of revenues over expenditures	(4,529)	(25,259)	(436,661)	(628,509)	7,145	(194,853)	(209,113)
Other Financing Sources (Uses):							
Capital leases	-	-	169,699	169,699	-	-	-
Transfers in	-	-	-	-	-	-	84,912
Transfers out	-	-	-	-	-	-	-
Total other financing Sources (uses)	-	-	169,699	169,699	-	-	84,912
Net change in fund balances	(4,529)	(25,259)	(266,962)	(458,810)	7,145	(194,853)	(124,201)
Fund balances, beginning	8,697	8,695	266,962	481,125	11,525	255,522	(2,243,956)
Fund balances, ending	\$ 4,168	\$ (16,564)	\$ -	\$ 22,315	\$ 18,670	\$ 60,669	\$ (2,368,157)

Special Revenue				Permanent Funds			
Fire Assessment Fund	Flag Pole Fund	Total Special Revenue Funds	Debt Service Fund	Playground Fund	Library Building Fund	Total Permanent Funds	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ 258,315	\$ -	\$ -	\$ -	\$ 258,315
-	-	486,536	-	-	-	-	486,536
1,778,784	-	1,778,784	-	-	-	-	1,778,784
-	-	374,972	-	-	-	-	374,972
-	-	15,180	-	-	-	-	15,180
-	-	20	671	391	280	671	1,362
-	-	12,871	-	-	-	-	12,871
1,778,784	-	2,668,363	258,986	391	280	671	2,928,020
-	-	1,078,447	-	-	-	-	1,078,447
-	5,231	497,512	-	-	-	-	497,512
-	-	-	-	-	-	-	-
-	-	576,165	-	-	-	-	576,165
-	-	178,178	926,962	-	-	-	1,105,140
-	-	56,287	254,641	-	-	-	310,928
-	5,231	2,386,589	1,181,603	-	-	-	3,568,192
1,778,784	(5,231)	281,774	(922,617)	391	280	671	(640,172)
-	-	339,398	-	-	-	-	339,398
-	-	84,912	1,035,077	-	-	-	1,119,989
(1,693,273)	-	(1,693,273)	-	-	-	-	(1,693,273)
(1,693,273)	-	(1,268,963)	1,035,077	-	-	-	(233,886)
85,511	(5,231)	(987,189)	112,460	391	280	671	(874,058)
351,240	13,032	(847,158)	356,858	33,410	2,339	35,749	(454,551)
\$ 436,751	\$ 7,801	\$ (1,834,347)	\$ 469,318	\$ 33,801	\$ 2,619	\$ 36,420	\$ (1,328,609)

Police Training Special Revenue - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 2,251	\$ 2,251
Total revenues	<u>-</u>	<u>-</u>	<u>2,251</u>	<u>2,251</u>
Expenditures:				
Current:				
Public Safety	-	7,000	6,780	220
Total Expenditures	<u>-</u>	<u>7,000</u>	<u>6,780</u>	<u>220</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(7,000)</u>	<u>(4,529)</u>	<u>2,471</u>
Net change in fund balances	-	(7,000)	(4,529)	2,471
Fund balances, beginning	8,697	8,697	8,697	-
Fund balances, ending	<u>\$ 8,697</u>	<u>\$ 1,697</u>	<u>\$ 4,168</u>	<u>\$ 2,471</u>

Grant Fund - Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 1,769,735	\$ 2,236,034	\$ 470,646	\$ (1,765,388)
Total revenues	<u>1,769,735</u>	<u>2,236,034</u>	<u>470,646</u>	<u>(1,765,388)</u>
Expenditures:				
Current:				
Public Safety	80,910	84,534	3,624	80,910
Physical environment	715,625	1,140,159	492,281	647,878
Economic Environment	25,000	25,000	-	25,000
Culture and recreation	948,200	1,208,775	-	1,208,775
Total Expenditures	<u>1,769,735</u>	<u>2,458,468</u>	<u>495,905</u>	<u>1,962,563</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(222,434)</u>	<u>(25,259)</u>	<u>197,175</u>
Net change in fund balances	<u>-</u>	<u>(222,434)</u>	<u>(25,259)</u>	<u>197,175</u>
Fund balances, beginning	<u>8,695</u>	<u>8,695</u>	<u>8,695</u>	<u>-</u>
Fund balances, ending	<u>\$ 8,695</u>	<u>\$ (213,739)</u>	<u>\$ (16,564)</u>	<u>\$ 197,175</u>

Police Services Impacts Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/special assessments	\$ 63,565	\$ 63,565	\$ 12,629	\$ (50,936)
Investment income	-	-	20	20
Total revenues	63,565	63,565	12,649	(50,916)
Expenditures:				
Current:				
Public Safety	40,957	284,173	429,721	(145,548)
Debt Service:				
Principal	-	-	19,589	(19,589)
Total Expenditures	40,957	284,173	449,310	(165,137)
Excess (deficiency) of revenues over expenditures	22,608	(220,608)	(436,661)	(216,053)
Other Financing Sources (Uses):				
Capital leases	-	-	169,699	169,699
Total other financing sources (uses)	-	-	169,699	169,699
Net change in fund balances	22,608	(220,608)	(266,962)	(46,354)
Fund balances, beginning	266,962	266,962	266,962	-
Fund balances, ending	\$ 289,570	\$ 46,354	\$ -	\$ (46,354)

**Fire/Rescue Services Impact Special Revenue Fund - Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual**

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/special assessments	\$ 118,877	\$ 118,877	\$ 23,618	\$ (95,259)
Total revenues	<u>118,877</u>	<u>118,877</u>	<u>23,618</u>	<u>(95,259)</u>
Expenditures:				
Current:				
Public Safety	40,957	477,724	632,538	(154,814)
Debt Service:				
Principal	-	-	19,589	(19,589)
Total Expenditures	<u>40,957</u>	<u>477,724</u>	<u>652,127</u>	<u>(174,403)</u>
Excess (deficiency) of revenues over expenditures	<u>77,920</u>	<u>(358,847)</u>	<u>(628,509)</u>	<u>(269,662)</u>
Other Financing Sources (Uses):				
Capital leases	-	-	169,699	169,699
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>169,699</u>	<u>169,699</u>
Net change in fund balances	77,920	(358,847)	(458,810)	(99,963)
Fund balances, beginning	<u>481,125</u>	<u>481,125</u>	<u>481,125</u>	<u>-</u>
Fund balances, ending	<u>\$ 559,045</u>	<u>\$ 122,278</u>	<u>\$ 22,315</u>	<u>\$ (99,963)</u>

Police Forfeitures Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 12,929	\$ 12,929
Total revenues	<u>-</u>	<u>-</u>	<u>12,929</u>	<u>12,929</u>
Expenditures:				
Current:				
Public Safety	-	5,784	5,784	-
Total Expenditures	<u>-</u>	<u>5,784</u>	<u>5,784</u>	<u>-</u>
Net change in fund balances	-	(5,784)	7,145	12,929
Fund balances, beginning	<u>11,525</u>	<u>11,525</u>	<u>11,525</u>	<u>-</u>
Fund balances, ending	<u>\$ 11,525</u>	<u>\$ 5,741</u>	<u>\$ 18,670</u>	<u>\$ 12,929</u>

Parks and Recreation Impact Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 113,066	\$ 7,675	\$ 7,676	\$ 1
Total revenues	<u>113,066</u>	<u>7,675</u>	<u>7,676</u>	<u>1</u>
Expenditures:				
Current:				
Culture and recreation	-	127,529	127,529	-
Debt Service:				
Principal	75,000	75,000	75,000	-
Total Expenditures	<u>75,000</u>	<u>202,529</u>	<u>202,529</u>	<u>-</u>
Net change in fund balances	38,066	(194,854)	(194,853)	1
Fund balances, beginning	<u>255,522</u>	<u>255,522</u>	<u>255,522</u>	<u>-</u>
Fund balances, ending	<u>\$ 293,588</u>	<u>\$ 60,668</u>	<u>\$ 60,669</u>	<u>\$ 1</u>

Pavilion Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ 15,890	\$ 15,890
Charges for services	514,962	514,962	331,049	(183,913)
Miscellaneous	29,603	29,603	12,871	(16,732)
Total revenues	544,565	544,565	359,810	(184,755)
Expenditures:				
Current:				
Culture and recreation	505,822	532,971	448,636	84,335
Debt Service:				
Principal	64,000	64,000	64,000	-
Interest and other charges	56,288	56,288	56,287	1
Total Expenditures	626,110	653,259	568,923	84,336
Excess (deficiency) of revenues over expenditures	(81,545)	(108,694)	(209,113)	(100,419)
Other financing sources (uses)				
Transfers in	84,912	84,912	84,912	-
Total other financing sources and uses	84,912	84,912	84,912	-
Net change in fund balances	3,367	(23,782)	(124,201)	100,419
Fund balances, beginning	(2,243,956)	(2,243,956)	(2,243,956)	-
Fund balances, ending	\$ (2,240,589)	\$ (2,267,738)	\$ (2,368,157)	\$ 100,419

Fire Assessment Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Special assessments	\$ 1,702,111	\$ 1,702,111	\$ 1,778,784	\$ 76,673
Total revenues	<u>1,702,111</u>	<u>1,702,111</u>	<u>1,778,784</u>	<u>76,673</u>
Excess (deficiency) of revenues over expenditures	<u>1,702,111</u>	<u>1,702,111</u>	<u>1,778,784</u>	<u>76,673</u>
Other Financing Sources (Uses)				
Transfers out	(1,702,111)	(1,702,111)	(1,693,273)	8,838
Total other financing sources and uses	<u>(1,702,111)</u>	<u>(1,702,111)</u>	<u>(1,693,273)</u>	<u>8,838</u>
Net change in fund balances	-	-	85,511	85,511
Fund balances, beginning	<u>351,240</u>	<u>351,240</u>	<u>351,240</u>	<u>-</u>
Fund balances, ending	<u>\$ 351,240</u>	<u>\$ 351,240</u>	<u>\$ 436,751</u>	<u>\$ 85,511</u>

Flag Pole Special Revenue Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Physical environment	\$ 7,208	\$ 7,208	\$ 5,231	\$ 1,977
Total Expenditures	<u>7,208</u>	<u>7,208</u>	<u>5,231</u>	<u>1,977</u>
Net change in fund balances	(7,208)	(7,208)	(5,231)	1,977
Fund balances, beginning	<u>13,032</u>	<u>13,032</u>	<u>13,032</u>	<u>-</u>
Fund balances, ending	<u>\$ 5,824</u>	<u>\$ 5,824</u>	<u>\$ 7,801</u>	<u>\$ 1,977</u>

Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 272,387	\$ 272,387	\$ 258,315	\$ (14,072)
Investment income	-	-	671	671
Total revenues	<u>272,387</u>	<u>272,387</u>	<u>258,986</u>	<u>(13,401)</u>
Expenditures:				
Debt Service:				
Principal	893,789	893,789	926,962	(33,173)
Interest and other charges	220,559	220,559	254,641	(34,082)
Total Expenditures	<u>1,114,348</u>	<u>1,114,348</u>	<u>1,181,603</u>	<u>(67,255)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(841,961)</u>	<u>(841,961)</u>	<u>(922,617)</u>	<u>(80,656)</u>
Other Financing Sources (Uses)				
Transfers in	841,990	841,990	1,035,077	193,087
Total other financing sources and uses	<u>841,990</u>	<u>841,990</u>	<u>1,035,077</u>	<u>193,087</u>
Net change in fund balances	29	29	112,460	112,431
Fund balances, beginning	<u>356,858</u>	<u>356,858</u>	<u>356,858</u>	<u>-</u>
Fund balances, ending	<u>\$ 356,887</u>	<u>\$ 356,887</u>	<u>\$ 469,318</u>	<u>\$ 112,431</u>

City of Tavares, Florida
Combining Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2019

	Pension Trust Funds		
	Police Officers	Firefighters	Totals
Assets:			
Cash and cash equivalents	\$ 227,651	\$ 106,901	\$ 334,552
Receivables:			
Employer and employee contributions	3,115	-	3,115
State contribution	-	84,493	84,493
Total receivables	3,115	84,493	87,608
Investments, at fair value:			
Mutual funds - fixed income	5,142,238	3,146,713	8,288,951
Mutual funds - equity	6,704,580	4,153,545	10,858,125
Common and collective funds	1,310,306	804,285	2,114,591
Total Investments	13,157,124	8,104,543	21,261,667
Total assets	13,387,890	8,295,937	21,683,827
Net Position:			
Net position restricted for pensions	\$ 13,387,890	\$ 8,295,937	\$ 21,683,827

**Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds**

For the Year Ended September 30, 2019

	Pension Trust Funds		
	Police Officers	Firefighters	Total Pension Funds
Additions:			
Contributions:			
Employer	\$ 355,183	\$ 347,866	\$ 703,049
Plan members	166,880	44,871	211,751
State	127,496	84,493	211,989
Total contributions	649,559	477,230	1,126,789
Investment income:			
Net increase (decrease) in fair value	232,636	148,437	381,073
Interest	349,693	212,401	562,094
Less: investment expense	(27,835)	(20,826)	(48,661)
Net investment income (loss)	554,494	340,012	894,506
Total additions	1,204,053	817,242	2,021,295
Deductions:			
Benefits/distributions	565,541	225,643	791,184
Administrative expenses	54,342	53,414	107,756
Total deductions	619,883	279,057	898,940
Change in net position	584,170	538,185	1,122,355
Net position, beginning	12,803,720	7,757,752	20,561,472
Net position, ending	\$ 13,387,890	\$ 8,295,937	\$ 21,683,827

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS PAGE

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Component	102
Changes in Net Position	104
Governmental Activities Tax Revenues by Source	106
Fund Balances of Governmental Funds	107
Changes in Fund Balances of Governmental Funds	109

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue source, the property tax.

Assessed Value and Estimated Actual Value of Taxable Property	111
Property Tax Rates - Direct and Overlapping Governments	113
Principal Property Taxpayers	114
Property Tax Levies and Collections	115

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the Agency's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	116
Ratios and General Bonded Debt Outstanding	117
Direct and Overlapping Governmental Activities Debt	118
Legal Debt Margin	119
Pledged-Revenue Coverage	120

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic Statistics	121
Principal Employers	122

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Full-time Equivalent City Government Employees by Function/Program	123
Operating Indicators by Function/Program	124

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF TAVARES, FLORIDA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental Activities				
Net investment in capital assets	\$ 12,286,623	\$ 13,351,075	\$ 14,093,258	\$ 14,032,686
Restricted	378,453	1,415,179	895,131	800,365
Unrestricted	4,265,666	1,863,858	1,248,400	1,630,371
Total Government Activities Net Position	<u>\$ 16,930,742</u>	<u>\$ 16,630,112</u>	<u>\$ 16,236,789</u>	<u>\$ 16,463,422</u>
Business-type Activities				
Net investment in capital assets	\$ 15,382,496	\$ 17,448,142	\$ 16,899,453	\$ 18,123,311
Restricted	4,356,923	4,442,498	4,763,265	5,209,216
Unrestricted	10,646,671	9,036,191	9,136,698	8,125,750
Total Business-type Activities Net Position	<u>\$ 30,386,090</u>	<u>\$ 30,926,831</u>	<u>\$ 30,799,416</u>	<u>\$ 31,458,277</u>
Primary Government				
Net investment in capital assets	\$ 27,669,119	\$ 30,799,217	\$ 30,992,711	\$ 32,155,997
Restricted	4,735,376	5,857,677	5,658,396	6,009,581
Unrestricted	14,912,337	10,900,049	10,385,098	9,756,121
Total Primary Government Net Position	<u>\$ 47,316,832</u>	<u>\$ 47,556,943</u>	<u>\$ 47,036,205</u>	<u>\$ 47,921,699</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 16,498,925	\$ 19,011,685	\$ 21,019,429	\$ 23,166,805	\$ 26,424,663	\$ 28,161,534
1,223,655	1,276,753	1,406,022	1,853,166	1,780,710	1,458,161
(219,472)	(6,355,282)	(7,939,103)	(3,771,617)	(4,470,840)	(381,044)
<u>\$ 17,503,108</u>	<u>\$ 13,933,156</u>	<u>\$ 14,486,348</u>	<u>\$ 21,248,354</u>	<u>\$ 23,734,533</u>	<u>\$ 29,238,651</u>
\$ 18,478,622	\$ 19,175,272	\$ 20,238,689	\$ 22,642,480	\$ 22,259,502	\$ 23,254,396
5,910,482	6,253,305	6,665,410	5,050,404	4,618,956	4,884,035
9,705,339	10,066,710	11,041,872	14,622,565	16,879,433	18,138,648
<u>\$ 34,094,443</u>	<u>\$ 35,495,287</u>	<u>\$ 37,945,971</u>	<u>\$ 42,315,449</u>	<u>\$ 43,757,891</u>	<u>\$ 46,277,079</u>
\$ 34,977,547	\$ 38,186,957	\$ 41,258,118	\$ 45,809,285	\$ 48,684,165	\$ 51,415,930
7,134,137	7,530,058	8,071,432	6,903,570	6,399,666	6,342,196
9,485,867	3,711,428	3,102,769	10,850,948	12,408,593	17,757,604
<u>\$ 51,597,551</u>	<u>\$ 49,428,443</u>	<u>\$ 52,432,319</u>	<u>\$ 63,563,803</u>	<u>\$ 67,492,424</u>	<u>\$ 75,515,730</u>

CITY OF TAVARES, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>Expenses</u>										
Governmental Activities:										
General government	\$ 2,595,668	\$ 2,573,387	\$ 2,684,092	\$ 2,652,168	\$ 2,791,383	\$ 4,037,720	\$ 3,207,946	\$ 3,313,656	\$ 3,553,653	\$ 3,939,032
Public safety	5,384,407	5,578,560	5,607,008	5,644,118	5,731,360	5,812,508	6,133,272	6,353,989	6,478,044	7,267,071
Physical environment	2,082,370	1,910,497	1,973,762	1,932,092	2,266,877	2,228,153	2,536,316	2,529,855	3,001,665	2,924,254
Economic environment	374,745	418,481	298,767	1,187,237	1,711,442	510,033	404,606	363,765	465,482	555,947
Culture & recreation	2,147,376	2,240,794	2,174,924	2,252,677	2,394,261	1,816,003	3,253,170	3,544,566	3,429,245	3,797,121
Interest & other fiscal charges on long-term debt	527,574	486,329	506,674	462,912	416,484	381,845	490,199	677,979	777,174	742,038
Total Governmental Activities Expenses	<u>13,112,140</u>	<u>13,208,048</u>	<u>13,245,227</u>	<u>14,131,204</u>	<u>15,311,807</u>	<u>14,786,262</u>	<u>16,025,509</u>	<u>16,783,810</u>	<u>17,705,263</u>	<u>19,225,463</u>
Business-type Activities:										
Water & sewer	5,647,753	5,687,892	7,113,633	6,296,831	6,356,680	6,190,916	6,856,155	7,489,129	8,161,242	8,242,600
Sanitation	1,632,796	1,565,724	1,597,423	1,574,137	1,742,068	1,687,934	1,858,449	2,001,336	2,072,946	2,140,411
Stormwater	284,874	415,247	307,064	371,287	397,368	461,110	478,996	539,609	619,827	522,396
Seaplane Base	233,718	557,946	612,208	618,676	713,219	642,806	672,184	898,921	790,392	886,445
Total Business-type Activities Expenses	<u>7,799,141</u>	<u>8,226,809</u>	<u>9,630,328</u>	<u>8,860,931</u>	<u>9,209,335</u>	<u>8,982,766</u>	<u>9,865,784</u>	<u>10,928,995</u>	<u>11,644,407</u>	<u>11,791,852</u>
Total Primary Government Expenses	<u>\$ 20,911,281</u>	<u>\$ 21,434,857</u>	<u>\$ 22,875,555</u>	<u>\$ 22,992,135</u>	<u>\$ 24,521,142</u>	<u>\$ 23,769,028</u>	<u>\$ 25,891,293</u>	<u>\$ 27,712,805</u>	<u>\$ 29,349,670</u>	<u>\$ 31,017,315</u>
<u>Program Revenues</u>										
Governmental Activities:										
Charges for services										
General government	\$ 27,751	\$ 41,094	\$ 52,894	\$ 196,043	\$ 59,912	\$ 22,969	\$ 48,191	\$ 46,507	\$ 50,995	\$ 44,388
Public safety	73,610	86,891	39,959	1,539,220	1,628,198	1,726,953	1,782,726	1,601,757	1,745,267	1,829,337
Physical environment	291,976	322,005	621,449	552,983	775,432	885,851	844,086	1,582,386	1,383,492	489,698
Economic environment	16,972	15,616	13,587	11,150	6,525	46,056	26,463	29,550	20,375	23,845
Culture & recreation	113,901	149,546	108,420	119,784	188,132	416,539	456,654	594,404	534,660	449,542
Operating grants and contributions	594,877	637,199	550,470	514,832	639,973	539,779	577,234	621,338	621,132	666,801
Capital grants and contributions	706,155	165,656	84,396	784,073	1,710,293	532,984	395,043	5,356,009	1,212,353	5,214,037
Total Governmental Activities Program Revenues	<u>1,825,242</u>	<u>1,418,007</u>	<u>1,471,175</u>	<u>3,718,085</u>	<u>5,008,465</u>	<u>4,171,131</u>	<u>4,130,397</u>	<u>9,831,951</u>	<u>5,568,274</u>	<u>8,717,648</u>

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type Activities:										
Charges for services:										
Water & Sewer	6,211,740	6,993,973	7,496,265	7,739,529	8,822,402	8,209,457	9,041,225	10,690,718	9,625,362	10,163,373
Solid Waste	2,310,764	2,390,044	2,491,083	2,587,497	2,672,040	2,746,477	2,863,205	2,948,456	3,035,617	3,208,736
Stormwater	513,257	525,369	537,093	661,120	797,195	964,612	1,128,802	1,206,254	1,369,766	1,564,091
Seaplane Base	104,303	273,256	289,383	301,130	341,514	310,651	294,207	314,345	165,974	187,439
Operating grants and contributions	432,765	213,389	317,439	432,765	191,588	6,412	-	-	17,199	446,927
Capital grants and contributions	1,751,379	963	3,384	62,437	473,635	851,788	748,619	1,987,157	575,074	968,716
Total Business-type Activities Program Revenues	11,324,208	10,396,994	11,134,647	11,784,478	13,298,374	13,089,397	14,076,058	17,146,930	14,788,992	16,539,282
Total Government Program Revenues	\$ 13,149,450	\$ 11,815,001	\$ 12,605,822	\$ 15,502,563	\$ 18,306,839	\$ 17,260,528	\$ 18,206,455	\$ 26,978,881	\$ 20,357,266	\$ 25,256,930
Net (Expense)/Revenue										
Governmental activities	\$ (11,286,898)	\$ (11,790,041)	\$ (11,774,052)	\$ (10,413,119)	\$ (10,303,342)	\$ (10,615,131)	\$ (11,895,112)	\$ (6,951,859)	\$ (12,136,989)	\$ (10,507,815)
Business-type activities	3,525,067	2,170,185	1,504,319	2,923,547	4,089,039	4,106,631	4,210,274	6,217,935	3,144,585	4,747,430
Total Government Net Expense	\$ (7,761,831)	\$ (9,619,856)	\$ (10,269,733)	\$ (7,489,572)	\$ (6,214,303)	\$ (6,508,500)	\$ (7,684,838)	\$ (733,924)	\$ (8,992,404)	\$ (5,760,385)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	\$ 5,048,491	\$ 4,599,218	\$ 4,230,824	\$ 3,747,879	\$ 4,096,418	\$ 4,485,134	\$ 4,648,607	\$ 5,415,318	\$ 5,831,830	\$ 6,532,692
Franchise and utility taxes	2,850,432	2,815,717	2,762,429	2,858,876	3,005,572	2,944,299	3,057,287	3,094,953	3,241,864	3,421,522
Intergovernmental	1,938,597	2,230,871	2,595,655	2,253,771	2,388,459	2,586,042	2,743,544	2,911,302	3,256,119	3,413,252
Investment earnings and miscellaneous	180,471	130,853	116,209	167,118	221,333	148,756	215,247	272,627	367,133	256,341
Transfers	1,608,455	1,712,752	1,675,612	1,612,108	1,631,246	1,701,403	1,783,619	2,019,665	2,118,193	2,388,126
Total Governmental Activities	11,626,446	11,489,411	11,380,729	10,639,752	11,343,028	11,865,634	12,448,304	13,713,865	14,815,139	16,011,933
Business-type Activities:										
Investment earnings and miscellaneous	82,139	83,308	43,878	9,589	178,373	31,644	24,029	171,208	502,374	159,884
Transfers	(1,608,455)	(1,712,752)	(1,675,612)	(1,612,108)	(1,631,246)	(1,701,403)	(1,783,619)	(2,019,665)	(2,118,193)	(2,388,126)
Total Business-type Activities	(1,526,316)	(1,629,444)	(1,631,734)	(1,602,519)	(1,452,873)	(1,669,759)	(1,759,590)	(1,848,457)	(1,615,819)	(2,228,242)
Total Government	\$ 10,100,130	\$ 9,859,967	\$ 9,748,995	\$ 9,037,233	\$ 9,890,155	\$ 10,195,875	\$ 10,688,714	\$ 11,865,408	\$ 13,199,320	\$ 13,783,691
Change in Net Position										
Governmental Activities	\$ 339,548	\$ (300,630)	\$ (393,323)	\$ 226,633	\$ 1,039,686	\$ 1,250,503	\$ 553,192	\$ 6,762,006	\$ 2,678,150	\$ 5,504,118
Business-type Activities	1,998,751	540,741	(127,415)	1,321,028	2,636,166	2,436,872	2,450,684	4,369,478	1,528,766	2,519,188
Total Government	\$ 2,338,299	\$ 240,111	\$ (520,738)	\$ 1,547,661	\$ 3,675,852	\$ 3,687,375	\$ 3,003,876	\$ 11,131,484	\$ 4,206,916	\$ 8,023,306

CITY OF TAVARES, FLORIDA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE¹
LAST TEN FISCAL YEARS

(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Franchise Fees</u>	<u>Utility Taxes</u>	<u>Total Taxes</u>
2010	4,929,151	1,085,253	1,765,180	7,779,584
2011	4,454,615	1,032,831	1,782,883	7,270,329
2012	4,230,824	973,992	1,788,437	6,993,253
2013	3,747,879	946,590	1,912,286	6,606,755
2014	4,096,418	1,033,254	1,972,318	7,101,990
2015	4,485,134	1,059,183	1,885,116	7,429,433
2016	4,648,607	1,070,096	1,987,191	7,705,894
2017	4,938,955	1,075,406	2,019,548	8,033,909
2018	5,831,831	1,147,806	2,094,056	9,073,693
2019	6,532,692	1,232,621	2,188,901	9,954,214

Note:

1. Table does not include shared tax revenues collected through intergovernmental revenues.



This page intentionally left blank

CITY OF TAVARES, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Reserved	\$ 4,291	n/a	n/a	n/a
Unreserved	2,256,860	n/a	n/a	n/a
Total General Fund	<u>\$ 2,261,151</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All Other Governmental Funds				
Reserved	\$ 284,095	n/a	n/a	n/a
Unreserved, reported in:		n/a	n/a	n/a
Special revenue funds	2,021,372	n/a	n/a	n/a
Capital projects funds	2,267,904	n/a	n/a	n/a
Permanent funds	1,643	n/a	n/a	n/a
Total All Other Governmental Funds	<u>\$ 4,575,014</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
		Post GASB 54	Post GASB 54	Post GASB 54
		2011	2012	2013
General Fund				
Nonspendable		\$ 265,386	\$ 318,063	\$ 537,904
Restricted		-	-	-
Assigned		244,875	-	112,624
Unassigned		1,475,998	1,056,371	574,823
Total general fund		<u>\$ 1,986,259</u>	<u>\$ 1,374,434</u>	<u>\$ 1,225,351</u>
All Other Governmental Funds				
Nonspendable		\$ 29,570	\$ 29,570	\$ 567,199
Restricted		3,174,339	3,205,475	3,533,635
Committed		147,081	-	-
Assigned		-	-	112,624
Unassigned		-	-	574,523
Total all other governmental funds		<u>\$ 3,350,990</u>	<u>\$ 3,235,045</u>	<u>\$ 4,787,981</u>

Fiscal Year

2014	2015	2016	2017	2018	2019
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Post GASB 54 2014	Post GASB 54 2015	Post GASB 54 2016	Post GASB 54 2017	Post GASB 54 2018	Post GASB 54 2019
\$ 540,551	\$ 646,823	\$ 60,791	\$ 62,598	\$ 314,142	\$ 62,186
-	-	910,596	-	-	-
-	-	-	-	-	-
645,630	396,676	562,346	1,292,300	1,775,046	2,306,142
\$ 1,186,181	\$ 1,043,499	\$ 1,533,733	\$ 1,354,898	\$ 2,089,188	\$ 2,368,328

\$ 569,846	\$ 676,118	\$ 90,086	\$ 29,295	\$ 29,295	\$ 29,295
1,194,360	1,247,458	13,378,976	13,363,104	12,233,205	2,486,468
-	-	-	-	-	-
-	-	-	-	-	-
(957,583)	(2,367,330)	(2,435,536)	(3,486,308)	(3,034,609)	(3,495,088)
\$ 806,623	\$ (443,754)	\$ 11,033,526	\$ 9,906,091	\$ 9,227,891	\$ (979,325)

CITY OF TAVARES, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<u>Revenues</u>				
Taxes	\$ 7,898,924	\$ 7,414,935	\$ 6,993,253	\$ 6,245,728
Licenses and Permits	333,696	366,984	666,440	598,465
Intergovernmental	3,239,627	3,033,726	3,230,521	1,609,419
Special assessments	-	-	-	-
Charges for Services	129,423	154,119	122,236	257,096
Fines and Forfeitures	61,092	94,049	47,633	31,236
Investment Earnings	62,727	26,596	29,079	2,345
Miscellaneous	117,744	104,257	87,130	139,638
Total Revenues	<u>11,843,233</u>	<u>11,194,666</u>	<u>11,176,292</u>	<u>8,883,927</u>
<u>Expenditures</u>				
General Government	2,486,462	2,452,401	2,581,504	2,513,661
Public Safety	5,106,502	5,555,549	5,319,872	5,608,773
Physical Environment	2,616,081	1,983,795	1,931,000	1,716,197
Economic Environment	373,808	413,677	292,110	945,145
Culture & Recreation	6,534,385	2,382,151	2,241,657	2,252,865
Capital Outlay ¹	-	-	2,908,290	-
Debt Service				
Principal	1,090,935	1,130,581	1,089,043	1,092,814
Interest and fiscal charges	529,359	488,180	510,966	446,526
Total expenditures	<u>18,737,532</u>	<u>14,406,334</u>	<u>16,874,442</u>	<u>14,575,981</u>
Excess of Revenues Over (Under) Expenditures	(6,894,299)	(3,211,668)	(5,698,150)	(5,692,054)
<u>Other Financing Sources (Uses)</u>				
Issuance of Bonds and Notes	-	-	3,300,000	2,750,000
Issuance of Refunding Debt	-	-	6,530,000	-
Payment to Refunded Debt Escrow Agent	-	-	(6,668,093)	-
Capital Lease Proceeds	-	-	132,861	-
Insurance recoveries	-	-	-	-
Transfers In	2,032,372	2,275,150	5,587,172	6,420,880
Transfers Out	(423,917)	(562,398)	(3,911,560)	(4,808,772)
Total Other Financing Sources (Uses)	<u>1,608,455</u>	<u>1,712,752</u>	<u>4,970,380</u>	<u>4,362,108</u>
Net Change in Fund Balances	<u>\$ (5,285,844)</u>	<u>\$ (1,498,916)</u>	<u>\$ (727,770)</u>	<u>\$ (1,329,946)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>12.92%</u>	<u>15.80%</u>	<u>11.46%</u>	<u>18.25%</u>

Note:

1. Capital outlay is reported within expenditure activity line items for years after 2000.
2. Debt service reported in fiscal year 2012 includes debt service payoff for refinancing the Wooton Park Capital Note 2008

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 7,101,990	\$ 7,429,433	\$ 7,705,894	\$ 8,510,271	\$ 9,073,694	\$ 9,954,214
810,072	914,903	883,388	1,602,768	1,426,190	532,831
4,738,725	3,658,805	3,715,821	5,629,971	4,938,192	4,550,699
-	1,558,276	1,600,939	1,578,475	1,708,453	1,778,784
1,807,454	576,344	637,118	1,090,309	710,156	514,933
40,673	48,845	36,675	27,901	41,402	54,185
7,290	10,638	9,153	53,242	53,875	30,911
214,043	138,118	206,094	219,385	974,862	225,430
<u>14,720,247</u>	<u>14,335,362</u>	<u>14,795,082</u>	<u>18,712,322</u>	<u>18,926,824</u>	<u>17,641,987</u>
2,686,306	2,926,983	3,165,242	3,010,357	3,398,650	3,597,392
6,272,625	5,736,338	6,589,567	6,529,349	11,065,795	17,878,021
1,743,596	2,351,901	2,505,055	5,313,210	4,073,687	2,956,630
1,706,500	536,766	409,491	321,964	421,221	457,250
2,287,092	2,698,589	3,241,913	3,637,088	3,019,183	3,772,772
4,438,507	1,207,915	-	-	-	-
-	-	-	-	-	-
1,244,506	1,443,533	1,485,227	1,010,009	1,298,124	1,932,140
418,679	385,217	479,926	682,547	759,463	737,917
-	-	-	-	-	-
<u>20,797,811</u>	<u>17,287,242</u>	<u>17,876,421</u>	<u>20,504,524</u>	<u>24,036,123</u>	<u>31,332,122</u>
(6,077,564)	(2,951,880)	(3,081,339)	(1,792,202)	(5,109,299)	(13,690,135)
-	-	12,775,000	-	-	837,000
-	-	-	-	5,484,000	-
-	-	-	-	(2,436,804)	-
464,960	-	-	-	-	339,398
-	-	-	-	-	197,535
3,835,724	6,446,403	4,407,833	4,702,584	5,125,471	5,750,324
(2,204,478)	(4,744,900)	(2,624,214)	(2,682,919)	(3,007,278)	(3,362,198)
<u>2,096,206</u>	<u>1,701,503</u>	<u>14,558,619</u>	<u>2,019,665</u>	<u>5,165,389</u>	<u>3,762,059</u>
<u>\$ (3,981,358)</u>	<u>\$ (1,250,377)</u>	<u>\$ 11,477,280</u>	<u>\$ 227,463</u>	<u>\$ 56,090</u>	<u>\$ (9,928,076)</u>
<u>10.82%</u>	<u>12.18%</u>	<u>12.43%</u>	<u>10.60%</u>	<u>12.04%</u>	<u>13.29%</u>

CITY OF TAVARES, FLORIDA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Real Property				
	Total Residential and Commercial Real Property	Residential Property	% Residential	Commercial Property	% Commercial
2010	762,026,655	563,727,801	73.98%	198,298,854	26.02%
2011	529,262,580	396,470,599	74.91%	132,791,981	25.09%
2012	584,854,801	443,574,246	68.14%	141,280,555	31.85%
2013	541,773,326	345,651,382	63.80%	196,121,944	36.20%
2014	549,971,614	342,082,344	62.20%	163,341,569	29.70%
2015	635,249,590	395,760,495	62.30%	195,656,874	30.80%
2016	675,210,640	446,989,444	66.20%	180,281,241	26.70%
2017	732,019,797	495,577,403	67.70%	185,933,028	25.40%
2018	808,059,254	551,096,411	68.20%	202,014,814	25.00%
2019	826,783,639	563,866,442	68.20%	206,695,910	25.00%

Note: ** Data not available

Note: *Excludes Centrally Assessed Properties*

<u>Personal Property</u>	<u>Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
\$ 48,090,004	\$ 151,848,139	\$ 810,116,659	6.2500	\$ 810,116,659	100%
147,000,980	\$ 182,149,234	676,263,560	6.9500	676,263,560	100%
40,657,563	\$ 294,384,352	625,512,364	6.8900	625,512,364	100%
50,236,989	363,111,842	592,010,315	5.9850	592,010,315	100%
52,128,871	367,031,678	557,552,784	6.4531	557,552,784	100%
43,832,222	404,380,311	635,249,590	6.7283	635,249,590	100%
47,939,955	576,550,310	675,210,640	6.6166	675,210,640	100%
50,509,366	346,311,142	732,019,797	7.1000	732,019,797	100%
58,988,326	528,449,845	812,099,551	7.0000	812,099,551	100%
60,717,621	555,815,514	831,279,973	7.1119	831,279,973	100%

CITY OF TAVARES, FLORIDA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING ¹ GOVERNMENTS
LAST TEN FISCAL YEARS ²

Fiscal Year	Direct City of Tavares Operating Millage	City of Tavares Debt Service Millage	Overlapping Rates										Total Direct & Overlapping Rates
			Lake County			Lake County School District			Independent Hospital District	Lake County Water Authority	St. John's Water Management District		
Operating Millage	Debt Service Millage	MSTU ³	Operating Millage	Capital Outlay	Total School Millage								
2010	6.2500	N/A	4.7309	0.1101	0.3853	5.2263	5.2750	2.2480	7.5230	1.0000	0.2405	0.4158	20.6556
2011	6.9500	N/A	4.7309	0.1101	0.3853	5.2263	5.2750	2.2480	7.5230	1.0000	0.2405	0.4158	21.3556
2012	6.8900	0.4612	4.7309	0.1101	0.8206	5.6616	5.8200 ²	1.5740	7.3940	1.0000	0.2405	0.3313	21.9786
2013	5.9850	0.4612	4.7309	0.1900	1.2059	6.1268	5.8200	1.5000	7.3200	1.0000	0.2554	0.3313	21.4797
2014	6.4531	0.4533	4.7309	0.1900	1.2059	6.1268	4.9220	2.2480	7.1700	1.0000	0.2554	0.3283	21.7869
2015	6.7283	0.4286	5.3856	0.1600	1.4290	6.9746	5.7460	1.5000	7.2460	1.0000	0.2554	0.3164	22.9493
2016	6.6166	0.4068	5.3051	0.1600	1.4290	6.8941	5.6970	1.5000	7.1970	1.0000	0.2554	0.3023	22.6722
2017	7.1000	0.4068	5.1180	0.1524	1.4290	6.6994	4.6270	2.2480	6.8750	1.0000	0.2554	0.2885	22.6251
2018	7.0000	0.3397	5.1180	0.1524	0.9661	6.2365	5.1030	1.5000	6.6030	1.0000	0.2554	0.2724	21.7070
2019	7.1119	0.3052	5.1180	0.1324	0.4629	5.7133	4.8550	1.5000	6.3550	0.9800	0.4900	0.2562	21.2116

Source: Lake County Tax Collectors Office

Notes:

1. Overlapping rates are those of local and county governments that apply to property owners within the City of Tavares

2. Taxes levied for the fiscal year are based on the prior year taxable value.

3. Includes Stormwater MSTU & Fire MSTU

CITY OF TAVARES, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

September 30, 2019

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lakeview Crest LLC	\$ 10,658,060	1	1.68%			
Sumter Electric Co-op Inc	8,851,981	2	1.39%			
Tavares Crossroads, LLP	5,951,015	3	0.94%			
GWS Tool LLC	4,800,582	4	0.76%			
Publix Super Markets Inc	4,672,466	5	0.74%			
Cole KO Tavares FL LLC	4,414,988	6	0.69%			
MEGA-B Hospitality LLC	4,298,672	7	0.68%			
Florida Oncology Tavares LLC	4,121,367	8	0.65%			
Duke Energy Florida	4,104,501	9	0.65%			
Titan Florida LLC	3,883,454	10	0.61%			
Ventas Realty LP				\$ 3,115,047	1	0.43%
United Partners Group LTD				2,550,950	2	0.35%
Lake Point Senior Apartment LP				2,445,969	3	0.34%
Lakeview Crest LLC				2,351,465	4	0.32%
Lake Saunders Builders LLC				1,779,977	5	0.24%
CNLBANK				1,683,000	6	0.23%
Palmer Homes Inc				1,582,627	7	0.22%
Florida Hospital Waterman				1,179,835	8	0.16%
Tuscan Cove LLC				1,156,680	9	0.16%
Turay Daniel J & Carla J.				1,116,080	10	0.15%
Totals	<u>\$ 55,757,086</u>		<u>8.79%</u>	<u>\$ 18,961,630</u>		<u>2.60%</u>

Source: Lake County Property Appraiser

CITY OF TAVARES, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	5,058,640	4,966,431	98.18%	82,060	5,048,491	99.80%
2011	4,667,143	4,592,019	98.39%	7,199	4,599,218	98.54%
2012	4,309,780	4,094,398	95.00%	13,336	4,107,734	95.31%
2013	3,543,182	3,257,653	91.94%	129,198	3,386,851	95.59%
2014	4,277,136	3,723,940	87.07%	108,291	3,832,231	89.60%
2015	4,277,136	3,599,357	84.15%	123,521	3,722,878	87.04%
2016	4,463,583	4,198,281	94.06%	105,651	4,303,932	96.42%
2017	5,187,341	5,008,126	96.55%	6,377	5,014,503	96.67%
2018	5,656,415	5,241,329	92.66%	98,496	5,339,825	94.40%
2019	6,316,619	6,129,045	97.03%	140,171	6,269,216	99.25%

Note: Excludes Voted Debt Service Levy; includes TIF Collections

CITY OF TAVARES, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita
	Bonds Payable	Notes Payable	Capital Leases	Water Revenue Bonds	Notes Payable	Capital Lease			
2010	-	12,470,000	84,875	4,930,000	14,022,438	-	31,507,313	8.38%	2,258
2011	-	11,381,000	42,480	4,930,000	13,695,958	-	30,049,438	7.99%	2,144
2012	-	13,510,000	120,019	4,930,000	15,653,745	434,835	34,648,599	9.37%	2,465
2013	-	15,193,000	94,205	6,880,000	16,199,892	371,516	38,738,613	10.32%	2,709
2014	-	14,439,750	67,909	6,665,000	26,107,432	457,319	47,737,410	8.75%	3,274
2015	-	13,023,005	41,121	6,325,000	29,657,665	362,356	49,409,147	8.66%	3,271
2016	-	24,339,565	14,334	5,975,000	30,044,975	265,587	60,639,461	10.06%	3,791
2017	-	23,343,890	-	5,620,000	30,124,770	166,980	59,255,640	8.56%	3,704
2018	-	25,092,962	-	5,255,000	34,812,740	66,499	65,227,201	9.42%	3,997
2019	-	24,037,000	300,220	4,875,000	33,629,082	-	62,841,302	13.48%	3,615

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

** Data is not available

1. See the Schedule of Demographic and Economic Statistics on page 110 for personal income and population data. Personal income for Tavares is calculated using population and per capita income.

CITY OF TAVARES, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Governmental Activities					
Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	3,300,000	45,285	3,254,715	0.52%	232
2013	3,123,000	80,981	3,042,019	0.51%	216
2014	2,938,000	45,326	2,892,674	0.52%	203
2015	2,747,000	36,918	2,710,082	0.43%	179
2016	2,551,000	36,490	2,514,510	0.37%	157
2017	2,350,000	36,490	2,313,510	0.32%	142
2018	2,143,000	36,491	2,106,509	0.26%	139
2019	1,930,000	469,316	1,460,684	0.18%	97

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements

1. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 120-121 for property value data.
2. Population data can be found in the Schedule of Demographic and Economic Statistics on page 110.

CITY OF TAVARES, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2019

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt:			
Lake County General Obligation Debt	\$ 16,215,000	4.33%	\$ 702,110
Subtotal, overlapping debt			
Direct Debt:			
Governmental activities debt	1,930,000	100%	1,930,000
Total direct and overlapping debt	<u>\$ 18,145,000</u>		<u>\$ 2,632,110</u>

Sources:

Lake County Property Appraiser's Office
 Lake County Finance Department
 Lake County School Board

Notes:

1. Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Tavares
2. The City issued General Obligation Bonds in fiscal year 2012.

CITY OF TAVARES, FLORIDA

LEGAL DEBT MARGIN

September 30, 2019

Neither the City of Tavares Charter or Code nor the Florida State Statutes limit the amount of debt the City of Tavares can issue.

CITY OF TAVARES, FLORIDA

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
WATER AND SEWER FUND

Fiscal Year	Water/Sewer Gross ¹ Revenues	Less: Operating ² Expenses	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2010	6,278,048	3,437,877	2,840,171	584,554	472,554	1,057,098	2.69
2011	7,032,139	3,472,306	3,559,833	830,045	404,446	1,234,491	2.88
2012	7,496,265	4,643,744	2,852,521	494,920	472,049	966,969	2.95
2013	7,708,984	3,879,985	3,828,999	684,114	405,769	1,089,883	3.51
2014	8,942,915	3,907,264	5,035,651	691,744	502,119	1,193,863	4.22
2015	8,212,984	3,920,052	4,292,932	1,046,323	294,507	1,340,830	3.20
2016	9,789,844	4,134,075	5,655,769	1,555,284	363,936	1,919,220	2.95
2017	11,502,519	4,896,380	6,606,139	1,861,610	474,259	2,335,869	2.83
2018	10,506,041	5,141,480	5,364,561	1,377,168	490,262	1,867,430	2.87
2019	11,288,021	6,522,080	4,765,941	1,604,420	760,820	2,365,240	2.01

Notes:

1. Total Operating Revenue (including impact fees).
2. Excludes depreciation expense
3. Debt service principal Includes notes payable
4. Debt service interest excludes interest on capital leases & capitalized interest

CITY OF TAVARES, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling</u>	<u>School Enrollment</u>	<u>Unemploy-ment Rate</u>
2010	13,951	375,910	26,945	54.5	12.92	40,553	11.8%
2011	14,015	369,716	26,380	52.5	12.92	40,391	10.6%
2012	14,054	372,375	26,496	52.5	12.70	40,563	8.3%
2013	14,300	336,493	23,531	52.5	13.13	40,753	8.9%
2014	14,582	542,815	37,225	52.5	13.13	43,925	5.5%
2015	15,106	570,674	37,778	52.6	13.13	41,343	5.2%
2016	15,996	603,017	37,698	46.1	10.30	42,414	4.6%
2017	16,317	692,086	42,415	54.9	13.40	42,414	3.4%
2018	15,106	**	**	**	**	43,174	2.9%
2019	17,385	466,092	26,810	55.4	**	42,000	2.9%

Sources:

1. Per Capita Income: City-Data.com (2016, most recent information available)
2. Median age - City-Data.com (2016, most recent information available)
3. School enrollment Lake County Schools, Florida Department of Education
4. Population: Metro Orlando Economic Development Commission & Florida EDR
5. Economic and Business Research, University of Florida

Note: ** Data not available

CITY OF TAVARES, FLORIDA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lake County Public Schools ³	5,838	1	16.68%	5,391	1	15.40%
Florida Hospital Waterman ³	1,759	2	5.03%	1,500	2	4.29%
Lake County Board of County Commissioners ³	968	3	1.34%	761	4	2.17%
Lake County Sheriff's Office ³	751	4	2.15%	766	3	2.19%
Cornerstone Hospice ³	486	5	1.39%	468	5	1.34%
Lake County Clerk of Court ³	182	6	**	220	6	0.63%
Sunstate Carriers	120	7	0.34%	375	9	1.07%
City of Tavares	180	8	0.51%	161	8	0.46%
Publix ⁴	142	9	0.41%	**	**	**
G&T Conveyor ⁵	**	**	**	141	7	0.40%
Lake County Tax Collector ³	103	10	0.29%	64	10	0
Total	10,529		28.14%	9,847		27.95%

Source: City of Tavares Economic Development Department

Notes:

1. The City of Tavares has an estimated functional population (daytime) of 9,398 with approximately 752 business establishments as of 9/30/2005. Tindale-Oliver & Assoc., Inc. Impact Fee Study September 2006. Business establishments - City of Tavares business license database.
2. ** Data not available
3. Metro Orlando Economic Development Commission
4. FY 2017 - Most Recent Data Available
5. City of Tavares location closed in 2013

CITY OF TAVARES, FLORIDA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	30.0	29.0	27.5	27.5	27.5	29.0	28.0	29.5	29.5	26.0
Public Safety										
Police										
Sworn officers	31.0	29.0	29.0	28.0	36.0	26.0	26.0	26	26.0	27.0
Non-sworn officers	-	1.0	1.0	1.0	1.0	1.0	1.0	1	2.0	1.0
Civilians ^{1 & 2}	10.5	9.0	8.5	11.0	3.0	3.0	3.0	2.5	2.5	2.5
Fire										
Firefighters & officers	21.0	21.0	21.0	23.0	23.0	24.0	24.0	24	24.0	25.0
Civilians	0.8	0.8	0.8	0.8	0.8	1.0	1.0	1	1.0	1.0
Physical Environment	10.8	8.0	7.0	7.0	7.0	8.0	9.0	9	9.0	15.0
Economic Development	2.0	2.4	2.0	2.0	2.0	2.0	2.0	2	2.0	2.0
Marina/Prop Shop	**	-	5.6	5.6	5.0	6.5	6.0	5.5	5.5	5.5
Water/Wastewater/SW	30.5	29.0	29.5	29.0	30.0	31.0	32.0	32	32.0	33.0
Solid Waste	8.0	7.0	7.0	6.0	7.0	8.0	8.0	8	8.0	8.0
Culture & Recreation	27.0	25.0	25.0	23.5	24.5	22.5	23.0	23	28.0	28.5
Total	<u>171.5</u>	<u>161.1</u>	<u>163.8</u>	<u>164.3</u>	<u>166.8</u>	<u>162.0</u>	<u>163.0</u>	<u>163.5</u>	<u>169.5</u>	<u>174.5</u>

Notes:

Data extracted from annual FTE Reconciliations in Adopted Budget for each year
 Seasonal Employees not included.

1. Police civilians include emergency communications center operations personnel.
2. Emergency Center Operations opened in 2007, then moved to Lake County Sheriff's Office in April 2013 .
3. Includes Pavilion employees.

CITY OF TAVARES, FLORIDA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety										
Auto accidents	557	541	541	604	578	21	21	746	682	718
Physical arrests	270	398	352	252	354	268	266	298	309	377
Criminal investigations conducted	259	180	185	262	227	176	246	796	770	422
Total calls for service	30,697	27,222	21,704	19,318	21,317	15,100	16,503	16,884	16,828	16,408
911 calls received ¹		3,912	3,751	1,830	915	**	4,204	**	1,477	5,275
Evidence processed (pieces)	**	**	**	**	**	**	**	**	**	1,534
Public education programs	**	**	**	**	**	**	**	**	158	**
Medical responses	2,214	2,131	3,009	3,325	3,549	809	1,955	3,984	3,425	100
Community Development										
Total permits issued	1,052	419	679	1,170	1,318	1,230	1,169	1,730	1,995	1,591
Construction inspections	2,611	1,642	2,081	3,634	3,666	4,941	1,080	4,980	6,727	3,590
Physical Environment										
Streets paved (miles)	118	118	118	118	118	123	125	125	-	130
Streets resurfaced (miles)	2	-	-	-	-	-	4	11	3	4
Sidewalks/bike paths built or repaired (feet)	1,065	1,065	3,597	3,597	19,398	65,229	3,100	58,080	755	10,805
Culture and Recreation										
Sports complex ball games & field rentals		496	509	518	685	639	699	699	592	619
Library cards issued	1,189	1,129	1,234	1,233	1,309	2,282	1,209	1,170	1,303	1,324
Water/Wastewater										
New connections	112	596	393	273	336	563	353	241	458	563
Number of customers	7,011	7,067	7,128	7,452	7,504	7,604	8,078	8,075	9,982	7,604
Water main breaks	8	10	4	12	9	5	3	4	-	5
Average daily consumption (millions of gallons)	3	3	3	3	3	3	3	3	2	3
Meter reads	8,909	8,982	9,088	9,277	9,432	9,475	10,214	10,477	11,132	9,475
General Government										
Employment applications received	829	626	357	292	482	613	669	590	482	410
Personnel actions processed	307	40	40	191	207	268	205	205	225	215
Legal notices published	68	39	39	34	56	88	50	154	49	73
Occupational licenses issued	976	995	956	965	969	1,172	1,066	1,081	313	1,041
Accidents and injuries reviewed	15	14	39	17	11	12	17	24	18	16
Land use amendments and rezonings	22	6	18	12	14	37	33	7	21	13
License/Permit reviews	1,218	722	1,150	1,150	107	1,230	1,501	1,824	1,968	1,672
Employees paid	203	207	200	208	204	220	211	203	186	213
Checks deposited	35,411	40,352	53,880	45,321	46,518	41,830	39,256	37,230	36,874	31,249
A/P Checks issued	5,397	5,235	5,419	5,174	5,651	6,110	7,277	5,550	5,623	5,896
Purchase orders/processed	4,388	4,254	4,400	4,461	4,966	5,266	5,909	5,967	5,235	5,040

Note:

** Data not available

1. In Fiscal Year 2013, Communications were turned over to Lake County Sheriff's Office

2. Increase reflects Alfred Street One-Way Pairing Project, CRA Projects, and JPA with FL Dept of Transportation



This page intentionally left blank

OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council
City of Tavares, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tavares, Florida (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given those limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in Appendix A to the accompanying Management Letter that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Tavares' Response to Findings

City of Tavares' response to the findings identified in our audit is described in the accompanying letter to management. City of Tavares' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDiarmid Davis

Orlando, Florida
June 30, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
City of Tavares, Florida

Report on Compliance for Each Major Federal program

We have audited the *City of Tavares's* (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McDiarmid Davis

Orlando, Florida
June 30, 2020

City of Tavares, Florida
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2019

Award type			
Grantor		Contract/ Grant Number	
Pass-through grantor	CFDA Number		Expenditures
Program title			
Federal Awards			
Department of Housing and Urban Development			
passed through Board of County Commissioners, Lake County, Florida			
Community Development Block Grants	14.218		\$ 200,000
Department of Homeland Security			
passed through State of Florida, Division of Emergency Management			
Disaster Grants - Public Assistance*	97.036	FEMA 4337-DR-FL	598,411
Department of Justice			
passed through Florida Department of Law Enforcement			
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	2019-JAGC-LAKE-10-N2-100	3,825
Environmental Protection Agency			
passed through Florida Department of Environmental Protection			
Nonpoint Source Implementation Grants	66.46	NF036	<u>4,682</u>
Total expenditures of federal awards			<u>\$ 806,918</u>

* Denotes a major program

NOTE 1 BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Tavares (the City) under programs of the federal government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2019, even if grant or loan was received subsequent to that date. Pass-through entity identifying numbers are presented where available.

NOTE 3 INDIRECT COST RATE:

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. For the year ended September 30, 2019 the City did not elect to use this rate.

NOTE 4 SUB-RECIPIENTS:

During the year ended September 30, 2019, the City had no sub-recipients.

NOTE 5 FEMA EXPENDITURES:

Expenditures for CFDA No. 97.036, *Disaster Grants – Public Assistance*, include \$598,411 of expenditures that were incurred in prior fiscal years.

Section I Summary of Independent Auditor's Results:

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency identified	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None reported
Noncompliance material to financial Statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Type of auditors' report issued on compliance for major federal programs:	Unmodified	
Internal control over major Federal program:		
• Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency identified	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major federal programs CFDA No. 97.036 Disaster Grants - Public Assistance

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as a low-risk auditee? Yes No

Section II - Financial Statement Findings: See Appendix A to Management Letter

Section III - Federal Award Findings and Questioned Costs: None

Section IV - Federal Award Summary Schedule of Prior Year Findings: There were no audit findings for the year ended September 30, 2018.



MANAGEMENT LETTER

Honorable Mayor and City Council
City of Tavares, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Tavares, Florida, as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 30, 2020.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Auditor’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i).1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address the finding and recommendations made in the preceding annual financial report, except as noted below:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2018 FY Finding #	2017 FY Finding #
19-2	18-2	N/A

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Tavares, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City of Tavares did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City of Tavares. It is management's responsibility to monitor the City of Tavares's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. See Appendix B.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, State and other granting agencies, the commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDiarmid Davis

Orlando, Florida
June 30, 2020

ML 19-02 Bank Reconciliations

Criteria

Bank reconciliations must be performed in a timely manner to detect misstatements caused by incorrect or missing transactions.

Condition

During our audit, we noted that the City's pooled cash bank reconciliation was not completed in a timely manner and errors in the bank reconciliation were not detected before we began our audit procedures.

Cause

Bank reconciliations were not completed on a timely, regular basis throughout the fiscal year.

Effect

Misstatements, whether due to fraud or error, would not be detected in a timely manner.

Recommendation

We recommend that the City implement procedures and assign necessary duties to responsible staff to ensure bank reconciliations can be completed to in a timely manner.

ML 19-01 General Fund Balance Reserve Policy

Criteria

Fund balance reserve policies establish a target fund balance to maintain as a reserve for contingencies or unforeseen circumstances. The Government Finance Officers Association recommends a General Fund balance reserve of at least two month's expenditures in order to mitigate current and future risks.

Condition

The City does not have a formal fund balance reserve policy that provides a goal for the budget and procurement process. In prior years, we have noted significantly low fund balance reserves in the General fund.

Cause

Insufficient increases in revenues to offset continued increases in operating expenditures, including but not limited to increasing levels of debt service requirements.

Effect

If there is a disruption in revenue sources or if a catastrophic event occurs, the City may be unable to meet its obligations which could result in a condition of financial emergency as defined by Section 218.503 (1), Florida Statutes.

Recommendation

We recommend that the City adopt a formal fund balance reserve policy to aid in future budget planning.



934 North Magnolia Avenue, Suite 100
Orlando, Florida 32803
Tel. 407-843-5406
www.mcdermittdavis.com

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

The Honorable Mayor and City Council
City of Tavares, Florida

We have examined City of Tavares's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2019. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Tavares complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

McDermitt Davis

Orlando, Florida
June 30, 2020



June 30, 2020

McDermitt Davis & Company, LLC
934 N. Magnolia Avenue
Suite 100
Orlando, FL 32803

Re: Management Letter
City of Tavares

In response to Management Letter dated June 30, 2020 pursuant to the City of Tavares annual audit for Fiscal Year ended September 30, 2019, please find City of Tavares management responses to the Management Letter Audit Comments:

Management Response to Current Year Management Comments:

ML-19-01 General Fund Balance Reserve Policy

Criteria

Fund balance reserve policies establish a target fund balance to maintain as a reserve for contingencies or unforeseen circumstances. The Government Finance Officers Association recommends a General Fund balance reserve of at least two month's expenditures in order to mitigate current and future risks.

Condition

The City does not have a formal fund balance reserve policy that provides a goal for the budget and procurement process. In prior years, we have noted significantly low fund balance reserves in the General Fund.

Cause

Insufficient increases in revenue to off-set continued increases in operating expenditures, including but not limited to increasing levels of debt service requirements.

Effect

If there is a disruption in revenue sources or if a catastrophic event occurs, the City may be unable to meet its obligations which could result in a condition of financial emergency as defined by Section 218.503 (1), Florida Statutes.

Recommendation

We recommend that the City adopt a formal fund balance reserve policy to aid in future budget planning.

Management Response

Management agrees that a sufficient reserve balance is needed to mitigate any fiscal impact for unexpected events such as revenue disruptions, capital equipment failures, catastrophic occurrences, or severe depressions in the national economy.

Management acknowledges that as total annual expenditures increase, and increases to revenues are insufficient the total reserve balance should increase to insure the that the proportional reserve balance to total expenditures will continue to be equal to or greater than two months of operations and meet the Governmental Finance Officers Association recommendation.

The City included appropriations to the General Fund reserve balance in the Adopted Budget for Fiscal Year 2020. The Proposed Budget for Fiscal Year 2021 will also include a small increase to General Fund reserves. The City will continue to include this practice as part of the annual budgeting process.

Management also agrees that a formal fund balance reserve policy will aid in future budget planning, and therefore, management will include the preparation and implementation of a formal reserve policy with budget planning initiatives for fiscal year 2021.

ML 19-02 Bank Reconciliations

Criteria

Bank reconciliations must be performed in a timely manner to detect misstatements caused by incorrect or missing transactions.

Condition

During our audit, we noted that the City's pooled cash bank reconciliation was not completed in a timely manner and errors in the bank reconciliation were not detected before we began our audit procedures.

Cause

Bank reconciliations were not completed on a timely, regular basis throughout the fiscal year.

Effect

Misstatements, whether due to fraud or error, would not be detected in a timely manner.

Recommendation

We recommend that the City implement procedures and assign necessary duties to responsible staff to ensure bank reconciliations can be completed to in a timely manner.

Management Response

Management agrees that all bank reconciliations must be completed in a timely manner to ensure that errors and fraud are detected to reduce misstatements.

Management will implement appropriate procedures and duties to ensure the timely completion of the bank reconciliation process. Management will provide a bank reconciliation workflow processes

for the employee performing bank reconciliations, and ensure that the employee understands each step of the process.

Management will ensure the timely completion of bank reconciliations, and management will create a monthly log for the bank reconciliation review process. Bank reconciliation reviews will be completed monthly and review approvals will be provided by the Finance Manager and the Finance Director.

Management has also included an additional Finance staff member in the Adopted Budget for Fiscal Year 2020 to assist with additional tasks within the Finance Department to help address added work flow experienced by the Finance Department.

Sincerely,

A handwritten signature in blue ink that reads "Lori Houghton". The signature is written in a cursive style with a blue ink color.

Lori Houghton
Finance Director

cc: John Drury, City Administrator